

Introduced by Senator Calderon

February 17, 2010

An act to amend Section 19605.73 of the Business and Professions Code, relating to horse racing.

LEGISLATIVE COUNSEL'S DIGEST

SB 1072, as introduced, Calderon. Horse racing: statewide marketing organization.

Existing law permits racing associations, fairs, and the organization responsible for contracting with racing associations and fairs with respect to the conduct of racing meetings, to form a private, statewide marketing organization to market and promote thoroughbred and fair horse racing, and to obtain, provide, or defray the cost of workers' compensation coverage for stable employees and jockeys of thoroughbred trainers. Existing law requires the marketing organization to annually submit to the California Horse Racing Board a statewide marketing and promotion plan and a thoroughbred trainers' workers' compensation defrayal plan for thoroughbred and fair horse racing. A specified percentage of the amount handled by each satellite wagering facility is required to be distributed to the marketing organization for the promotion of thoroughbred and fair horse racing, and for workers' compensation defrayal, as specified. Existing law repeals these provisions on January 1, 2011.

This bill would extend the operation of these provisions until January 1, 2014, when they would be repealed.

Vote: majority. Appropriation: no. Fiscal committee: no.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 19605.73 of the Business and Professions
2 Code is amended to read:

3 19605.73. (a) Racing associations, fairs, and the organization
4 responsible for contracting with racing associations and fairs with
5 respect to the conduct of racing meetings, may form a private,
6 statewide marketing organization to market and promote
7 thoroughbred and fair horse racing, and to obtain, provide, or
8 defray the cost of workers' compensation coverage for stable
9 employees and jockeys of thoroughbred trainers. The organization
10 shall consist of the following members: two members, one from
11 the northern zone and one from the combined central and southern
12 zones, appointed by the thoroughbred racetracks; two members,
13 one from the northern zone and one from the combined central
14 and southern zones, appointed by the owners' organization
15 responsible for contracting with associations and fairs with respect
16 to the conduct of racing meetings; and two members, one from the
17 northern zone and one from the combined central and southern
18 zones, appointed by the organization representing racing and
19 satellite fairs.

20 (b) The marketing organization formed pursuant to subdivision
21 (a) shall annually submit to the board a statewide marketing and
22 promotion plan and a thoroughbred trainers' workers'
23 compensation defrayal plan for thoroughbred and fair horse racing
24 that encompasses all geographical zones in the state, and which
25 includes the manner in which funds were expended in the
26 implementation of the plan for the previous calendar year. The
27 plan shall be implemented as determined by the organization. The
28 organization shall receive input from all interested industry
29 participants and may utilize outside consultants in developing the
30 annual marketing plan.

31 (c) In addition to the distributions specified in subdivisions (a)
32 and (b) of Section 19605.7, and in Sections 19605.71 and 19605.72,
33 for thoroughbred and fair meetings only, from the amount that
34 would normally be available for commissions and purses, an
35 amount equal to 0.4 percent of the total amount handled by each
36 satellite wagering facility shall be distributed to the statewide
37 marketing organization formed pursuant to subdivision (a) for the
38 promotion of thoroughbred and fair horse racing and to defray the

1 cost of workers' compensation coverage for stable employees and
2 jockeys of thoroughbred trainers. Not more than one-sixth of the
3 total amount available annually pursuant to this subdivision shall
4 be used to defray the cost of workers' compensation insurance.
5 Any of the promotion funds that are not expended in the year in
6 which they are collected may be expended in the following year.
7 If promotion funds expended in any one year exceed the amount
8 collected for that year, the funds expended in the following year
9 shall be reduced by the excess amount.

10 (d) This section shall remain in effect only until January 1, ~~2011~~
11 ~~2014~~, and, as of that date, is repealed, unless a later enacted statute
12 that is enacted before January 1, ~~2011~~ ~~2014~~, deletes or extends
13 that date. Any moneys held by the organization shall, in the event
14 this section is repealed, be distributed to the organization formed
15 pursuant to Section 19608.2, for purposes of that section.